COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF LOUISVILLE GAS AND ELECTRIC)	
COMPANY AND KENTUCKY UTILITIES COMPANY FOR)	CASE NO.
APPROVAL OF PURCHASED POWER AGREEMENTS)	2009-00353
AND RECOVERY OF ASSOCIATED COSTS	Ì	

SUPPLEMENTAL DATA REQUEST OF COMMISSION STAFF TO LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY

Louisville Gas and Electric Company and Kentucky Utilities Company ("Joint Applicants"), pursuant to 807 KAR 5:001, are to file with the Commission the original and eight copies of the following information, with a copy to all parties of record. The information requested herein is due no later than January 28, 2010. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Joint Applicants shall make timely amendment to any prior response if they obtain information which indicates that the response was incorrect when made or,

though correct when made, is now incorrect in any material respect. For any request to which Joint Applicants fail or refuse to furnish all or part of the requested information, they shall provide a written explanation of the specific grounds for their failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request.

- 1. Refer to the response to item 1 of Commission Staff's first data request ("Staff's first request") and page 6, paragraph 11, of Joint Applicant's application. Identify any states among those without a renewable portfolio standard in which the utility regulatory commission has approved renewable purchased power contracts, including the name of the utility and the location of the generation facilities.
- 2. Refer to the response to item 3.b. of Staff's first request. Clarify whether the following characterization is accurate: If the sum of Joint Applicants' average system energy cost plus the cost of "alternative compliance payments" and any other costs that might be imposed on coal-fired generation through greenhouse gas legislation is lower than the delivered cost of energy under a renewable energy purchase power contract, it will be more economical to not execute such a contract.
- 3. Refer to the responses to item 4 of Staff's first request and item 10 of the first data request of the Attorney General and Kentucky Industrial Customers, Inc. In describing the contracts, both responses state that "[t]he Companies pay only for energy delivered. . . ." This appears to contradict page 10 of the Testimony of Lonnie E. Bellar, which indicates that if transmission service is curtailed, Joint Applicants must pay

for energy that would have been generated absent the curtailment, plus compensate Invenergy for lost production credits. Clarify whether the response correctly describes the contract terms.

4. Refer to the response to item 5.b. of Staff's first request.

a. Explain why, among the 15 wind energy power agreements Joint Applicants studied that disclose the location of the generation facilities, none were located in the Illinois area where the Grand Ridge facilities are located.

b. Explain whether Joint Applicants believe location of the generation facilities pertinent to those agreements has any relevance to those agreements' terms.

5. Refer to the responses to items 10 and 11 of Staff's first request. Given that Joint Applicants studied actual data from October 2008 through September 2009 to determine the amount and type of transmission service they should request, explain why they did not, or were unable to, review that data to compare Invenergy's forecasted production with its actual production to determine the reliability of its forecasts.

Jeff Derouer

Executive Director

Public Service Commission

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DATED	JAN	9	2010	

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